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*Attorneys for Irving H. Picard, Trustee for the
Substantively Consolidated SIPA Liquidation of
Bernard L. Madoff Investment Securities LLC and
Bernard L. Madoff*

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES INVESTOR PROTECTION
CORPORATION,

Plaintiff,

v.

BERNARD L. MADOFF INVESTMENT
SECURITIES LLC,

Defendant.

In re:

BERNARD L. MADOFF,

Debtor.

Adv. Pro. No. 08-01789 (BRL)

SIPA Liquidation

(Substantively Consolidated)

NOTICE OF SETTLEMENT

PLEASE TAKE NOTICE that pursuant to an order of the Bankruptcy Court (as defined below), dated November 12, 2010 (the “Settlement Procedures Order”), Irving H. Picard, in his capacity as the Trustee (“Trustee”) for the liquidation proceedings under the Securities Investor Protection Act, 15 U.S.C. §§ 78aaa, *et seq.* of Bernard L. Madoff Investment Securities LLC and

the substantively consolidated Chapter 7 case under the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”) of Bernard L. Madoff, is authorized to enter into Settlement Agreements¹ with transferees in settlement of Avoidable Transfers in an amount up to and including \$20 million on an account by account basis.

PLEASE TAKE FURTHER NOTICE that for those settlements in an amount greater than \$7.5 million and less than or equal to \$20 million (on an account by account basis), the Settlement Order provides that the Trustee will periodically file with the Court a Notice of Settlement that will disclose the financial details of such Settlement Agreement, including the dollar amount of the settlement, the total amount of the Avoidable Transfers and, if applicable, any relevant information considered by the Trustee in reaching the settlement.

PLEASE TAKE FURTHER NOTICE that pursuant to the Settlement Procedures Order, the Trustee hereby gives notice that he has entered into Settlement Agreements, as set forth on Exhibit A hereto (collectively, the “Notice of Settlements”).

PLEASE TAKE FURTHER NOTICE that pursuant to the Settlement Procedures Order, if no objection to the Notice of Settlements is filed and served upon the Trustee within fourteen days after the date hereof, the Settlement Agreements and the Notice of Settlement

¹ Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Settlement Procedures Order.

Agreement will automatically become effective and binding on the parties.

Dated: New York, New York
June 2, 2011

BAKER & HOSTETLER LLP

By: /s/ Marc E. Hirschfield
David J. Sheehan
Marc E. Hirschfield

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*Attorneys for Irving H. Picard, Trustee for
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Liquidation of Bernard L. Madoff Investment
Securities LLC and Bernard L. Madoff*

EXHIBIT A

SUMMARY OF SETTLEMENTS

SETTLING PARTY	TOTAL AVOIDABLE TRANSFERS	SETTLEMENT AMOUNT	BASIS OF SETTLEMENT
Party A	\$27,185,584.00	\$17,430,234.00	Party A had multiple affiliated accounts with some net winners and net losers with preference exposure. The Trustee settled by offsetting the preference against a percentage of Party A's customer claims and the assignment of SIPC advances.
Party B	\$17,111,829.00	\$4,200,000.00	Party B had multiple affiliated accounts with some net winners and net losers. The Trustee is being repaid 95% of all fictitious profits through Party B's reduction of customer claims and the assignment of SIPC advances.